GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2139
ANSWERED ON:11.08.2006
IMPORT DUTY ON COTTON
Renge Patil Shri Tukaram Ganpatrao;Thummar Shri Virjibhai

Will the Minister of FINANCE be pleased to state:

(a) Whether the National Commission on Farmers has recommended an increase in import duty on cotton;

(b) If so, the increase in the import duty on imports of cotton; and

(c) If not, reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a) Yes, Sir.

(b) Import duty on cotton has been retained at 10% ad valorem.

(c) While fixing the import duty rate on cotton, Government takes into account factors such as the nedd to protect the domestic producers, and also the need to make available raw materials to user industry at reasonable prices. For the present, an import duty of 10% is considered adequate for this purpose.